

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6151

BILL NUMBER: HB 1040

NOTE PREPARED: Apr 7, 2009

BILL AMENDED: Apr 6, 2009

SUBJECT: Trusts and Fiduciaries.

FIRST AUTHOR: Rep. Van Haaften

FIRST SPONSOR: Sen. Zakas

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) *Guardianships:* This bill specifies a guardian's powers concerning the estate planning of a protected person. The bill repeals the statute limiting a guardian's power to engage in estate planning for a protected person to the part of the guardianship estate that is required for the protected person's future support or the future support of the protected person's dependents during the lifetime of the protected person.

Trustee Duties Concerning Life Insurance: The bill provides that unless a trust document provides otherwise, a trustee does not have the following duties under the Indiana uniform prudent investor act with respect to the acquisition or retention of any contract of life insurance: (1) a duty to determine whether a contract of insurance is or remains a proper investment; (2) a duty to exercise policy options, including investment options, available under a contract of insurance; or (3) a duty to diversify if a contract of insurance is the sole or a major asset of a trust.

(The introduced version of this bill was prepared by the Probate Code Study Commission.)

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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